A Reward Model for Air Force Materiel Command Integrated Weapon System Management Teams

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ABSTRACT

Forming and leading high performing teams is a skill that is critical to moving all productive organizations into the Twenty First Century. Air Force Materiel Command (AFMC) has embraced the concept of empowered teams. It is the center piece of their Integrated Weapon System Management (IWSM) philosophy and the cornerstone of the command's approach to meeting its customers' needs. But, forming productive teams is often more easily said than done. Although many authorities have addressed the use of high performing teams, there is relatively little effort focused on an integrated model describing how to reward teams to build effective performance.

This paper briefly reviews the history of IWSM and teams in AFMC. It then examines some of the history and rational for developing team focused rewards to shape team performance. From this, a two dimensional model is proposed. The model is a framework the team leader can use for making an integrated set of reward decisions. Then, an extensive list of reward options with actual examples for the team leader is provided. The list is aimed at team leaders in AFMC but it is applicable to most organizations, particularly those operating in the government environment. The paper closes with some reward recommendations for creating and encouraging high performing teams.

Included are several appendices that list specific rewards available for the AFMC team leader. Many of the rewards are also available to any government team leader.

TABLE OF CONTENTS

INTRODUCTION

Leadership means being good at what you do, and much more. It means building teams and, by example, encouraging and inspiring others.

The Honorable Sheila E. Widnall, Secretary of the Air Force (37)

Teaming is the heart of the Air Force Materiel Command (AFMC) initiative to empower the people who acquire and sustain Air Force weapon systems. Teams bring many strengths to the effort, but there are also weaknesses. On the plus side is the synergy from dedicated, smart people pooling their skills, talents and intellect to solve the tough acquisition and sustainment problems the Air Force faces today. On the minus side are problems such as personal conflict, weak leadership, poor direction, functional infighting, and personnel rating and reward systems that are geared to individual, rather than team performance.

This is not a new dilemma nor is it faced only by the Air Force. Teams have evolved, along with the matrix organization, during the last two hundred years as management struggled to organize its work force to adapt to the changing conditions fostered by the Industrial Revolution. It was only with the quest for increased productivity that business evolved away from the straight line organization. In the process, the fundamental conflict inherent in matrix or team organizations emerged. Does the worker belong to the line organization or the staff organization for rating and reward purposes? Where do the rewards

come from, and what are the impacts on job performance (14:v)? The United States government is asking similar questions as it conducts its National Performance Review (5, 4 and 20:25).

This paper proposes a reward model that can be used to build effective team performance in any organization. The model is supported by specific examples focused for direct applicability to the teams currently established in AFMC. Included in the model are the general attributes of a good reward philosophy and examples of the specific rewards available to an AFMC team leader to implement the model. The team leader has a variety of rewards available to recognize employee accomplishment, but typically uses only a limited set. This limits the team leader's ability to effectively shape the team's performance. It is important to recognize that while the rewards available differ for civilian and military team members in some areas, the proposed reward model is equally applicable to the military member or the civilian employee. Areas addressed include:

- Background on the AFMC teaming initiative.
- Rationale for a team reward focus.
- Proposed team reward model.
- Application of the model to AFMC.
- Conclusions and recommendations.

Soloists are inspiring in opera and perhaps even in small entrepreneurial ventures, but there is no place for them in large corporations.

> *Norm Augustine, President and CEO, Martin Marietta Corp. (17:466)*

The whole object of the organization is to get cooperation, to get each individual the benefit of all the knowledge and all the experience of all the individuals.

> *Hamilton McFarland Barksdale, Management Executive Committee, Dupont (17:466)*

In January 1991, the Secretary of the Air Force announced the formation of AFMC from the merger of Air Force Systems Command (AFSC) and Air Force Logistics Command (AFLC). AFSC was responsible for the development and production of all Air Force weapon systems and AFLC was responsible for the sustainment. Two big challenges faced the leaders as they planned the merger. The first was integration of the commands' planning functions to develop a coherent strategic decision making framework for AFMC. The second challenge, and this paper's genesis, was the merger of two separate management cultures to form an integrated team responsible for executing the combined responsibilities of AFLC and AFSC program offices. A tiger team formed to address this challenge ultimately recommended an initiative that would evolve into a management philosophy called Integrated Weapon System Management (IWSM) (22).

THE IWSM PHILOSOPHY

The definition of IWSM is:

> "Empowering a single manager with authority over the widest range of military system program decisions and resources to satisfy customer requirements throughout the life cycle of that system" (23:3).
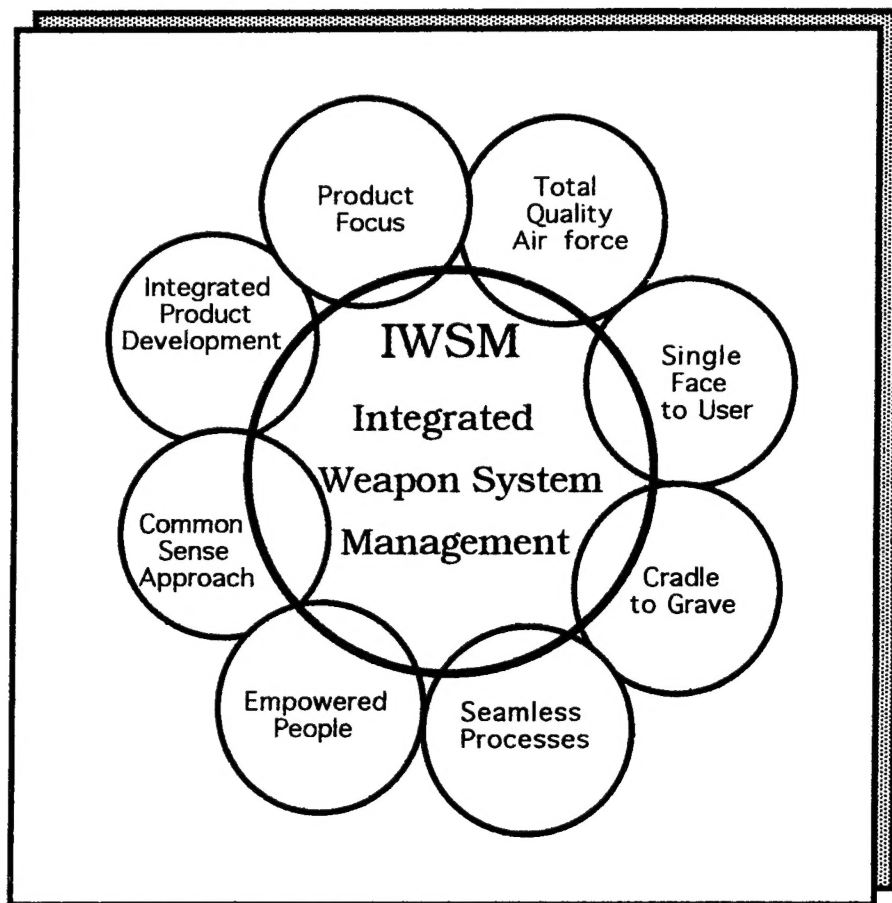

Figure 1 (21:10-13)

The IWSM philosophy has continued to mature since the first elements were

laid out in February 1991. The definition now encompasses eight elements as shown in Figure 1 and explained below:

Quality Air Force. IWSM was founded on the quality management precepts of Deming, Jurand and others (21). These quality management precepts are known within the Air Force as Quality Air Force (QAF). AFMC continues to employ QAF in all aspects of IWSM implementation. All program offices are strongly encouraged to form teams and to examine their processes as they merge their organizations and implement the IWSM Philosophy (21:12).

Cradle to Grave. Each weapon system program has a single manager and one team responsible for all product decisions from a life cycle perspective. No longer does one manager have the luxury of taking the short-term view during development because some other program office in another command will be responsible for the system's sustainment. The AFMC team now has responsibility for the program over its entire life cycle from development, production, and sustainment to retirement (21:12).

Single Face to the User. IWSM empowers a single manager and one team with maximum authority over decisions and resources throughout the life of a weapon system. The war fighter knows that wanting to talk about the F-16 weapon system, the person to call is the F-16 System Program Director, regardless of the problem -- be it airframe, landing gear, avionics or engines (21:12).

Seamless Processes. The IWSM organization operates with critical processes

that are integrated across the entire command and life cycle. For example, the contracting process is now standardized across AFMC, and the systems engineering process is common across the entire life cycle from development to sustainment. In each case, eliminating the process seams allows the entire team to have a common roadmap for team activities (21:12-13).

Empowered People. People are the key to making any program successful, and IWSM stresses the importance of empowering the members of the program team, not just the single manager, with responsibility for all aspects of the program. Empowering is ensuring that authority as well as responsibility for the assigned tasks is passed to the team (21:13).

Common Sense Approach. From the very beginning, the approach was "Do what's right; fix it if it doesn't make sense!" What will make the team's job easier? Find out and do it (21:13)!

Integrated Product Development. Every program in AFMC will operate with a concept called Integrated Product Development (IPD). In a nut shell, IPD is:

> "The Right People, At the Right Place, At the Right Time to Make the Right Decision. The leader's job is to facilitate the process and empower his people to get the job done" (21:13)

The right people include the operator, the maintainer, the tester, and the supporting staffs as well as the program office personnel, as appropriate. In other words, the whole development/sustainment team (21:13).

Product Focus. This is the ultimate test of the IWSM Philosophy. If the customer isn't satisfied with the team's product, AFMC hasn't done its job (21:13).

On 1 July 1992, AFMC opened its doors for business. On the same day, the program managers of the old AFSC and AFLC began the final push for team integration. The challenges were tremendous, but the workers have overwhelmingly supported the concept of IWSM to accomplish the mission (7:9). The command is committed to have all the program offices operating using teams (2).

According to General Ronald B. Yates, AFMC commander, "IWSM is the cornerstone of AFMC and teams are the key to making IWSM happen (11:30)." As AFMC implements IWSM, the use of teams will continue to evolve but the dedication to their use will not falter. Given this challenge, there are many things that can be done to mak teams more effective. Building a coherent reward structure is a significant step.

WHY TEAM REWARDS?

Managing requires setting aside one's ego to encourage and develop the work of others. It requires a "big picture" and team perspective rather than an individual-achiever perspective.

Sara M. Brown, President, Sara M. Brown Associates (17:467)

THE THEORY BEHIND REWARDS

Influencing human behavior is a task that psychologists have studied for years. There is general agreement that human behavior is not completely disorganized and without motivation (19:372). If the behavior is rational, how then can the leader influence the behavior to achieve team goals? Several well known psychologists have developed theories or models to describe human behavior that lay the ground work for the reward model proposed in this paper.

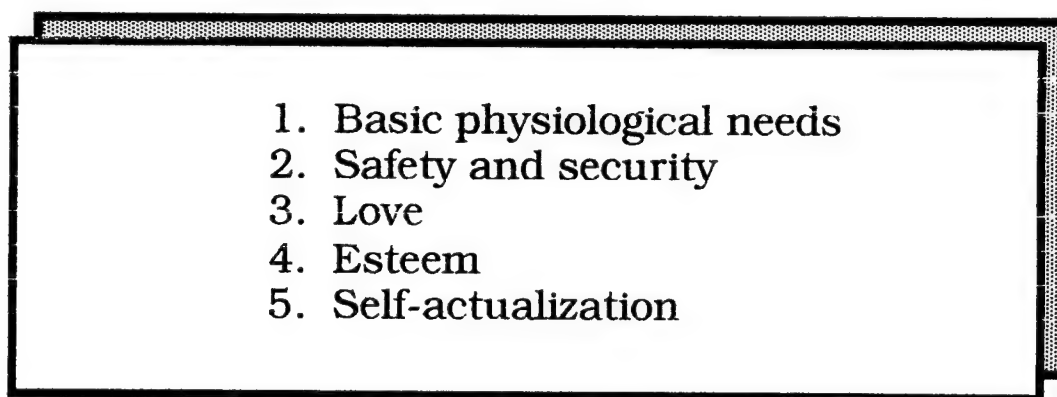Abraham Maslow prioritized human needs as shown in Figure 2.

1. Basic physiological needs
2. Safety and security
3. Love
4. Esteem
5. Self-actualization

Figure 2 (19:372)

If, and only if, the first order physiological, safety and security needs are satisfied does the individual seek satisfaction of the higher order needs such as love, esteem and self actualization. This hierarchy helps explain some failures in personnel management. For example, if a firm focuses on employee enrichment programs without a solid underpinning of a fair wage and benefits package, the employee will be too busy concentrating on fulfilling the need for financial safety and security to appreciate and use the enrichment programs for self-actualization (19:374-375).

Douglas McGregor proposed a complementary theory that ascribes to people attributes such as " The expenditure of physical and mental effort in work is as natural as play and rest" and "Commitment to objectives is a function of the rewards associated with achievement" (19:377). For our purposes, McGregor's model postulates that people have an innate proclivity to work, and that the manager can nurture that proclivity with an appropriate reward structure.

Frederick Hertzberg proposed a slightly different approach to the concept of work and motivation. He postulated a dual continuum model. The first continuum, job dissatisfaction to no job dissatisfaction, would contain "hygienic" factors such as pay, interpersonal relations, company policy, working conditions, etc., over which the employee would have little control. The factors in this continuum can't supply satisfaction, only the elimination of dissatisfaction. The second continuum, no job satisfaction to job satisfaction, contains "motivators" such as the work itself, recognition, achievement, growth, etc. The factors here can supply satisfaction and motivate appropriate employee behavior (19:379-380).

Does experience show us that these theories have a basis in the way companies are operating today? The answer from extensive research is a resounding yes!

THE EXPERIENCE BEHIND REWARDS

Many companies have broken ground for us, using teams to meet today's challenges. A recent survey of 382 companies shows that the use of teams is rising, from 12 percent in 1990 to 18 percent in 1992 (34:26). From their successes, we can learn many lessons. In <u>The Machine that Changed the World</u>, the authors make a strong case that teaming is the next revolution in production capability -- from craftsman, to mass production, to lean production using multi-skilled teams. Organizations that are not capable of building and using strong teams will fall by the wayside in the international economic competition (39:114). Toyota, Honda, General Motors, Motorola, Chrysler and Eastman Chemical are just a few of the companies using teaming arrangements (10:78). This approach is as applicable to government as it is to industry. Establishing teams is easy; getting them to excel and then rewarding that performance is the challenge (28:197).

Teams can be self-motivating if they are given a clear goal that also is clearly worthwhile, challenging or personally rewarding. This condition, though, is relatively rare. In the absence of driving self motivation, reward systems become a significant factor in team performance (27:114).

Tangible support often lags behind philosophical support for teams, but is

more important. The organizational leadership must "walk the walk" when they "talk the talk." When extolling the virtues of teams, words alone are not effective motivators for cultural change or improved team performance. Additional rewards usually are required to get good results. Otherwise, it will be business as usual (33:146). Because group efforts produce greater results, reward systems must be built to foster team performance vice individual performance. The pursuit of individual agendas can torpedo any team effort. The effective leader will actively take steps to deemphasize individual accomplishments at the expense of team accomplishments (27:112-113).

As Clay Carr says in <u>Teampower - Lessons from America's Top Companies on Putting Teampower to Work</u>, "Rewards for the team, not just for the individual. This is probably the single most often violated requirement for effective teams" (12:40). Unfortunately, rewards usually are based on individual performance. Carr gives us another example that hits very close to home:

> "In the late 1970's, the federal government adopted a performance-based pay plan for managers known as Merit Pay. At one activity, characterized by complex operations that required careful coordination among different organizations, pay for performance was implemented on a purely individual basis. Each manager answered only for the performance of his organization. Because of the complexity, cooperation between managers had never been outstanding; once individualized pay for performance was implemented, cooperation simply ceased to exist. Each manager looked out for himself, period. The impact on the organization was devastating. Performance standards were changed the next year to incorporate mutual support and coordination, but the after-effect

of the individual standards continued to handicap operations for several years" (12:40).

Where rewards are concerned, almost all individuals and teams believe their actions are not recognized or are not recognized enough. The successful organization makes a habit of recognizing successful teams over and over and over again (12:40-41).

Business Week's John Byrne makes the same point in his article when he says, "Use teams to manage everything" (10:77). But forming and using teams isn't enough. He goes on to make the specific recommendation to "Reward team performance", and successful companies are doing just that. AT&T is dishing out bonuses based on customer evaluations of team performance (10:78). AT&T is not alone. The Air Force implemented a very successful gain-sharing program at Sacramento Air Logistics Center that saved over $12 million and paid half of the savings to the employees (18:38). But, it is both difficult and critical to carefully structure the reward program to avoid problems with employee padding of productivity reports and to insure buy in by the employees (28).

It's amazing how many experts talk about teambuilding and teamwork without addressing the fundamental problems associated with rewarding teams for desired behavior. Building and motivating effective teams isn't easy; it's not just a team member problem either, as Dupont is finding out. Sometimes the managers can be significant problems. "This is the hardest damn thing to do," says Terry Ennis, who heads up a group to help DuPont's businesses organize along horizontal lines. "It's very unsettling and threatening for people. You

find line and function managers who have been honored and rewarded for what they've done [as individuals] for decades. You're in a white-water zone when you change" (10:78). The government is experiencing the same kind of growing pains. When government employees were polled by the Office of Personnel Management, 69 percent preferred to be rated on their individual performance vice that of the team (18:31).

In addition, team rewards must be carefully crafted so as not to reward the team leader at the expense of the team members. If this happens, the rest of the team members will likely become resentful, especially if the recognition is handled badly. In the Korean War, for example,

> "Officers made up 15 percent of those fighting. But they won almost 40 percent of the Silver Stars, 35 percent of the Bronze Stars... and nearly half of the Distinguished Service Crosses, the second highest decoration. While officers were getting all these decorations for valor, enlisted men were taking 93 percent of the Purple Hearts." (33:139-140)

Even with these difficulties, building and sustaining high performing teams has incredible paybacks as one member of an expendable rocket-launch team describes:

> "When John became our supervisor, he made an instant impression. The first day he came on board, he called us all together and made a speech. He said that his primary function was to get everything he could for us. He was going to spend his time getting us the training that we wanted and all the awards and promotions that we deserved. He said that he was going to spend his time doing everything that he could to provide us with the best possible work environment. He then said that if he was going to spend his time doing all those things, we would have to do the work and solve most of the problems. John kept his word. And I

can tell you this -- he was the best supervisor I ever had, and we
had the best team that I can remember working on" (25:135-136).

As these stories show, rewarding team members can take many forms,
including monetary, honorary, tangible support with supplies and equipment,
and promotions. But the paybacks are high. <u>Harvard Business Review</u> asserts
that the payback can be as high as 3 to 1 on the cost of the rewards (32:44).
But, if rewards are so important, why are team leaders having problems using
them effectively? The answer may be because the leaders have never taken a
comprehensive look at the reward structure available, and from that,
established an integrated program to reward, based on the overarching goals of
the organization.

TEAM REWARD MODEL

[S]uccessful coaches instinctively vary their approaches to meet the needs of the person at this time, or that group at that time. They perform five distinctly different roles: they educate, sponsor, coach, counsel and confront. Each approach is executed ... to facilitate learning and elicit creative contributions from all hands to the organization's overarching purpose.

> *Tom Peters and Nancy Austin, Management Consultants (17:471)*

We give a bonus for our employees to give them a sense of participation and to feel that they are members of the company because we are always saying our company has one fate. If the company goes well, everybody can enjoy. If the company goes wrong or goes bankrupt, people lose jobs.

> *Akio Morita, CEO, Sony Corp. (Japan) (17:470)*

Building a model or a framework for the team leader is an important first step in effectively building team performance through rewards. A model allows a leader to understand the types of rewards available and to make rational decisions on how to employ them in managing team performance. In the team reward model, there are three categories of rewards and a continuum in which the leader can operate to influence team performance. Figure 3 shows the categories of rewards available to influence team performance. This section will explore each category in more detail.

MONETARY REWARDS

The first category is the monetary reward. There are several concepts that must

TEAM REWARD MODEL

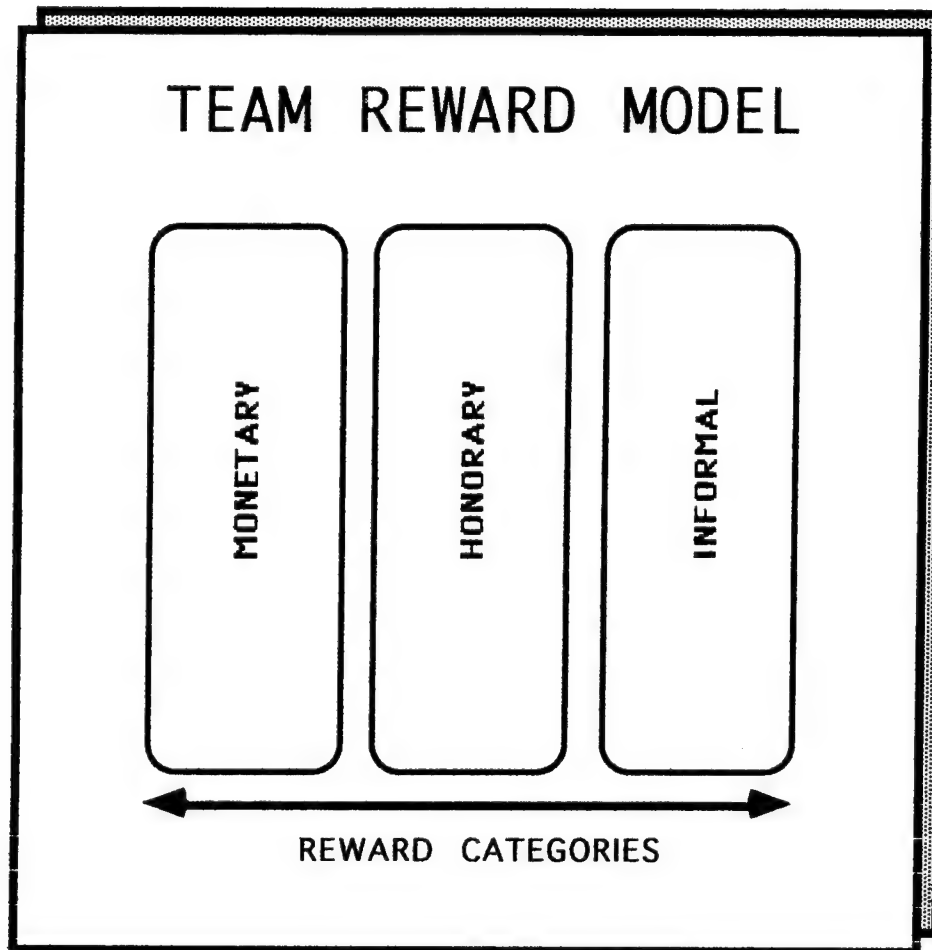MONETARY   HONORARY   INFORMAL

REWARD CATEGORIES

Figure 2

be considered as the monetary reward is developed and employed as a team motivational tool.

One of the most visible monetary rewards in the team leader's tool kit is promotion. The rating and promotion of personnel go back thousands of year with references by Chinese philosophers as early as the third century A.D. The Jesuits in the sixteenth century established a comprehensive system of rating personnel to insure the continued efficient growth of the order. However, the

rating and promotion of civilian employees of the Department of Defense first assumed its present form in the War Department on 7 May 1887. It spread slowly to the other departments of government and continues to evolve to this day (16). It is a subject of much debate and attention, but because the federal personnel system ties promotions very closely to the civilian personnel rating system for individuals, it is certainly a significant reward for performance.

Direct promotion is usually not a tool the a team leader will have, but the leader will most certainly have indirect influence in this area (16:187-189). How effective is it?

Some studies clearly show a positive correlation between money and job performance and in many employee surveys the factor that is most often identified as a performance enhancer is money (27:114). Other studies though are not so positive in this assertion. Many surveys list income as third, fourth or fifth behind such factors as job duties, promotion potential and supervisor's relationship (33:128). People and groups don't necessarily maximize their income and money can sometimes be a disincentive. In addition, the works of psychologists cited earlier would predict that once basic monetary needs are met, other needs such as recognition and personal fulfillment, become predominate. Groups can trade off immediate income for job security, stability of interpersonal relationships, and protection of friends from arbitrary actions of management. Many manual workers with physically demanding jobs trade off short term gain for longevity and energy for family and friends (33:130-131).

In addition, times change and so do peoples' needs. Sometimes money is more

important than other factors, depending on the state of the economy, the age of the worker and family needs (33:129). Money is a particularly effective motivator for those workers living close to the financial edge. For them, their interest may be in second and third jobs instead of doing their first job better and money can significantly enhance their interest in their primary job (33:129). Because of these conflicts, no single reward category should be relied - on exclusively when structuring a reward strategy.

Having said all of the above, monetary rewards are still a significant part of the Federal government reward structure. Congress established the Federal Incentive Awards Program in 1954 to tap the creative potential of government employees and to motivate them to excel. In 1991, the program saved the taxpayers over $777 million through the formal Suggestion Program while paying $230 million to the employees. The government handed out bonuses totaling $681 million. The cash is a motivator to the over 2.1 million employees eligible to participate in the program (1:6 and 11). However, monetary rewards are not the only tool available to the team leader.

HONORARY REWARDS

The next category of reward is the honorary reward. Although there is usually no limit and approval is straight forward on many of the available government awards, this incentive is seldom used to maximum effectiveness. For example, in 1991, the over 2.1 million federal employees received only 97,816 honorary rewards. This is still a significant increase from 1990 when only 75,071 were

given (1:11). For a free tool, it was only applied to less than five percent of the work force.

These awards can be very effective in building team performance. Our nation's highest award for valor is not monetary, it is honorary. For the unit, the Army awards battle streamers for combat and the Department of Defense hands out Humanitarian Service Medals for peace time achievement. Think of the effect that the Boy Scout Eagle award has on motivating the scouts in the troop. All are honorary awards.

On the civilian side, Mike Espy, the Secretary of the United States Department of Agriculture (USDA), is taking significant steps to address the problems associated with the current government reward system. In June of 1992, all awards at USDA were postponed, pending a complete review of the system (35:4). Two of the eighteen recommendations that emerged from the study directly support the premise in this paper.

- "Hold managers accountable for using awards to achieve or recognize results."
- "Emphasize group awards and non-cash awards" (31:5-6).

INFORMAL REWARDS

The last category is the informal rewards that are available from two sources, internal to the team or external to the team, for example from the parent organization. To be effective, these awards should occur on a regular basis.

These awards can be very effective at building team cohesion and motivating team performance.

Internal awards are as simple as a pat on the back from the rest of the team. A Federal Express television commercial shows a boss enter the work area and begin gruffly grilling an employee about the status of a package that she was responsible for shipping. After checking her computer, she is able to answer that the package was successfully delivered that morning. After the boss leaves, her co-workers give her a standing ovation. Internal awards also can be more formal and take the shape of a specific award or recognition that is presented at appropriate intervals.

The other facet of an informal reward structure for a high performing team is recognition from outside the team (6:23). External support and recognition is critical to a team's success. The lack of this factor is more of an impact than the presence. Key indicators of external support include adequate resources, external support for team activities from individuals and organizations, actual awards, and verbal recognition of accomplishments viewed as appropriate by the team and tied to performance (27:109). For example, teams that perform and meet others' needs, will prosper because outside agencies will recognize their accomplishments and go the extra step to supply support when requested.

There is more to reward than superior performance. Informal rewards often are an excellent tool to recognize individuals or other outside teams or groups who perform the mundane, everyday tasks that must get done if the team is to function. The administrative support, the janitors, the grasscutters, the

personnel shop, etc., all contribute in small ways to team success and will work harder with a little recognition for a job done to standards (25:106-110).

AWARD FOCUS

The method of focusing the awards also needs to be carefully assessed. With many of the awards, the team leader has the option of presenting the reward:

- To the individual based on individual performance,
- To the individual based on individual performance tied specifically to team accomplishments, or
- To the team as a whole for team accomplishments.

Unfortunately, as previous examples showed, rewards for teamwork are frequently missing (24:3). If there is no group payoff, team members may sabotage the rest of the group for individual gain. Professional baseball players offer an example of a balanced, individual/group-based reward system.

This system provides equitable treatment, incorporates positive reinforcement of desirable traits, rewards individual effort, provides recognition for outstanding achievements and encourages group cohesion and teamwork. Figure 4 gives some details on the baseball reward structure (33:132). A balanced approach like this is very possible within the government reward system.
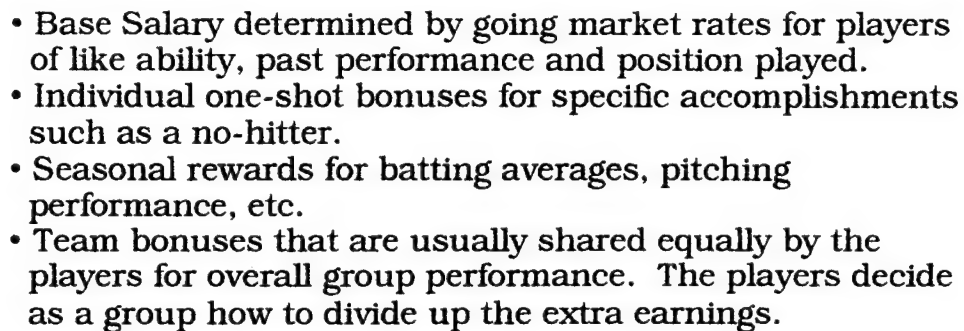
> - Base Salary determined by going market rates for players of like ability, past performance and position played.
> - Individual one-shot bonuses for specific accomplishments such as a no-hitter.
> - Seasonal rewards for batting averages, pitching performance, etc.
> - Team bonuses that are usually shared equally by the players for overall group performance. The players decide as a group how to divide up the extra earnings.

Figure 4 (33:132)

The Navy is championing a balanced team award approach at the Naval Aviation Supply Office. They have eliminated cash awards based on individual performance and instead are giving team cash awards in conjunction with a comprehensive recognition program. In addition, they continue to recognize individual contributions, with a team focus, with honorary and informal rewards (36).

These examples and the many others contained in this paper indicate the criticality of team awards. In a majority of the cases, very serious thought should be given to making as many of the awards presented for team achievement as possible.

Figure 5 adds this dimension to the Team Reward Model and completes the factors that must be considered when building a team reward strategy. In Figure 5, the model supplies a second dimension that managers can use to motivate the desired team behavior. Managers can strike the proper balance

between the three reward categories. If funds are tight, they can downplay the monetary rewards and increase the emphasis in the other areas. They can assess the three categories and insure that they is taking full advantage of the reward tools available. In addition, managers select the correct balance of team versus individual rewards, in effect, dialing in the proper mix for best results.

Figure 5

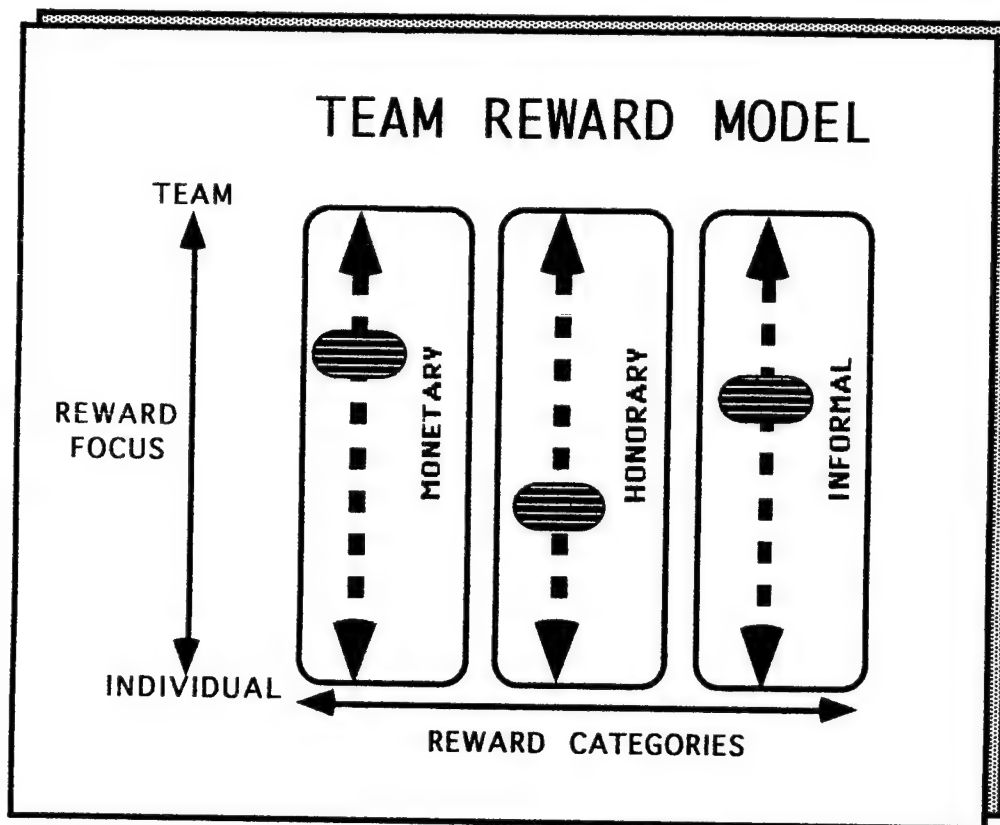Early, in the description of IWSM, it was noted that the team leader's job was to insure:

"The Right People, At the Right Place, At the Right Time to Make the Right Decision. The leader's job is to facilitate the process and empower his people to get the job done" (21:13).

This model then is a critical tool for team leader as the team's reward structure is built and used to motivate the team to accomplish the mission.

APPLYING THE MODEL

When a team outgrows individual performance and learns team confidence, excellence becomes a reality.

Joe Paterno, Football Coach (17:471)

With this model as a framework, what are the specific rewards the AFMC team leader can deliver to motivate the team members? Remember that many of the awards outlined in this section are applicable to the civilian employees only, the military members only or to both.

MONETARY REWARDS

Within AFMC, for civilians, monetary rewards are by far the most common. In 1992, over $31 million in Performance Awards, $170,000 in Special Act or Service Awards and $700,000 in Notable Achievement Awards were presented (38 and 18). Note that the performance awards are tied almost exclusively to individual performance ratings, instead of team accomplishments. There are a number of types of monetary awards, some official and some not so official, that the team leader can use. They include:

Promotion. In government service, promotion is not usually a reward that the team leader can apply directly. On the other hand, by properly documenting effective performance in the employee's annual appraisal, the manager can certainly posture the employee for promotion. Performance plans that are used for employee appraisals and performance awards can incorporate team

performance elements. The Navy's Aviation Supply Office in Philadelphia uses this approach for its managers with high satisfaction reported by the ratees (18:28).

Cash Performance Award. Cash performance awards are recommended by the first level supervisor, and approved by the second-level supervisor. They are based on individual achievement, there can be team aspects included, and they are presented annually. The amount is determined as a percent of salary (38).

Special Act or Service Award. This can be an individual or group award. The award is for superior accomplishment or achievement resulting in tangible or intangible benefit to the government. Nomination of the recipient is by a management official and approval is by the installation commander for amounts up to $5,000 and by the major command for amounts from $5,001 to $10,000. The narrative justification must be submitted within 60 days of the act for which the employee is nominated (38).

Notable Achievement Award. This can be an individual or group award. The award is for special act or service for a noteworthy contribution. The employee is nominated by a management official. The award is approved by the second-level supervisor. The amount of the award is $25 to $300. The narrative justification must be submitted within 30 days of the act for which the employee is nominated. There is no limit to the number of awards per year (38).

Quality Step Increase. Quality step increases are recommended by the first

level supervisor, and approved by the second-level supervisor. The award is for a superior performance rating and is for an employee at or above Step 4 in grade. It is based on individual achievement, team aspects can be included, and it is presented annually. The employee receives an additional step in pay grade (38).

Gain Sharing. Gain sharing is an accepted tool for rewarding government employees but recent trends show a decrease in its use due to the current turbulence of organizational changes and employee turnover in the government. A team gain sharing plan must:

- Set a measurable standard of performance.
- Identify a suitable range of performance within the standard.
- Identify the compensation available to the team.

Some experts have documented problems with implementing effective gain sharing plans including compromise of the standards by the team and change of the performance standards by management (38 and 27:118-119).

Time Off. Time off, up to one day, is approved by first-level supervisor. The award is for contributions to quality, efficiency, or economy of government operations. Time off is approved by the appointing official for an award exceeding one day. The time off can't exceed 40 hours per occurrence or 80 hours per year (38). The United States Office of Personnel Management does not consider time off a monetary award (29). Air Force Materiel Command does

classify it as a monetary reward because the employee is paid for the time off (38).

Training. The team leader can arrange for training to extend the employee's skills in the current job or expand the employee's ability to compete for other jobs.

Travel. The team leader can arrange for travel that supports the government mission and also benefits the employee. A classic example would be to send the employee to participate in a significant event or ceremony such as a first article rollout or flight.

Equipment and Supplies. This falls into the not-so-official category, but is very important to team performance nonetheless. The team leader can show support for the team by insuring they have the needed equipment and supplies to accomplish their mission. This may involve acquiring equipment such as fax machines, printers, computers, cameras, briefing bags, drafting equipment, tool boxes. This supplies the things that help the team produce a quality product and demonstrates the organizations commitment to the team.

Suggestion Program Award. The team leader can insure that when the team develops new improved methods of accomplishing its tasks, suggestion awards are submitted. The suggestion award funds come from outside the organization and are often an untapped source of funds for team rewards.

In the future, monetary awards may become much scarcer than they are today.

The very tight government budget may significantly reduce the funds available in several of the award categories. Honorary rewards can help fill this possible void.

HONORARY REWARDS

Honorary rewards are very effective, inexpensive tools that are often under-used. For example, AFMC could only document 68 awards in FY92 and 92 awards in FY93 for the first five types of awards shown below. This is for a total in AFMC of over 80,000 employees (38 and 18). In addition, there were no 1993 nominees for some of the annual awards traditionally presented by the Air Force Association, Wright-Patterson Air Force Base Chapter. There are literally hundreds of opportunities to present honorary awards. They include:

Letter/Certificate of Appreciation. This award is for an act or service above that which was expected. The manager with the knowledge of the act prepares the letter, and presents through the employee's chain. The letter or certificate can be presented to an individual or a group (38).

Letter/Certificate of Commendation. This award is for an unusual achievement not warranting a cash award. The manager with the knowledge of the act prepares the letter and it is presented by the commander of the major component. The letter or certificate can be presented to an individual or a group. This award also is placed in the civilian employee's personnel file (38).

Command Civilian Award for Valor. This award is presented for unusual courage or competence during an emergency unrelated to official duties. The

award is prepared by a manager for approval by the major command (38).

United States Air Force Civilian Award for Valor. This award is presented for an act of heroism involving voluntary risk of personal safety in the face of danger. The award is submitted by the supervisor to the major command within three months of the act. The award is approved at Headquarters USAF (38).

Exemplary Civilian Service Award. This award is presented for at least one year of outstanding service to the unit's mission. The effort must be clearly above that required for a certificate of commendation. The award is submitted by a manager and approved by the wing commander or equivalent (38).

Meritorious Civilian Service Award. This award is presented for service of at least one year of exemplary achievement, unusual initiative, or outstanding contribution. The supervisor submits the award recommendation within three months of the act for which the employee is nominated. Approved at the major command or higher (38).

Outstanding Civilian Career Service Award. This award is presented for significant contributions impacting the Air Force mission throughout the employee's career. The recommendation must be submitted by a manager 30 days prior to the desired presentation date. The award is approved at the major command level or higher (38).

AFMC Organizational Awards. AFMC has a number of organizational awards

available that are usually awarded on a competitive basis, for example, the System Program Office (SPO) of the Year Award. A large and small SPO are selected to receive the award. Appendix B contains an extensive list of some of the awards currently available.

Air Force Organizational Awards. Air Force organizational awards are usually presented to large organizations but may be available to smaller teams. They are listed in Appendix A.

Awards Sponsored by Other Organizations. Many other organizations offer awards that are available to the team leader and team members. For example, there are enlisted, noncommissioned officer and junior officer of the quarter awards at most bases. The Air Force Association now is recognizing groups as well as individuals for jobs well done during the annual award cycle. Most Air Force functional specialties offer annual recognition programs for their members. Many other organizations also offer award opportunities. Some of these awards are listed in Appendix B. There are also usually many awards of this type that are unique to the local area.

Titles. Titles are useful as motivational tools but must be used with care. For enhancing team performance, individual titles such as team leader or superior may be counterproductive. On the other hand, giving the team a special name such as "Tiger Team" or "Special Project Team" can help pull the team members together. Something as simple as job titles like "Craftsman" vice "Worker" or "Customer Service Representative" vice "Order Taker" can pay big dividends in team and individual performance.

Workspace. The allocation of workspace can be a significant reward for a job well done and can build strong esprit de corps. Teams that are located together perform better. Employees are very conscious of working conditions relative to their compatriots.

As important as monetary and honorary rewards are, the third type can be considered the most flexible because the team leader and the team have the most latitude to create and bestow them.

INFORMAL REWARDS

Because informal rewards are usually very personal, they can be very effective motivators. They include:

Special Events. Recognition of special events can significantly contribute to team cohesiveness and performance. Special events can include new team member arrivals, birthdays, anniversaries and team performance milestones. The role or effect of cheerleaders on a football team is a good analogy of what the parent organization can do to reward teams for their successes and to encourage further effort.

Special Awards. Either the team or the parent organization to which the team belongs usually develop special awards. For example, the team may create an award to pass from member to member on an informal basis, usually with some good natured humor attached. Actual examples include the Staff

Puke of the Month Award, with the accompanying use of a reserved parking place for 30 days; the Air Force Reserve Bucket, handed out by the office reserve officers who are always bailing out the regular force; and the Falcon Award for superior administrative support.

Team Memorabilia. This is a very important technique for rewarding team members and building team identity and unity. It can involve little things that add up to a total team concept. For example, teams usually have identifying symbols that unite them in their effort -- symbols like logos, hats, tee shirts, patches, emblems and mascots. The team that developed the Macintosh computer separated themselves from the rest of Apple Computer and hung a pirate flag at their door to establish a team identity (30:H8).

The vast array of tools available for the team leader can significantly increase the effectiveness of the team's performance, if the are applied in a systematic fashion.

RECOMMENDATIONS

Rewards should go to teams as a whole.

> *Tom Peters*
> *Business Writer (17:471)*

That nation is strongest that provides whatever incentives are needed to make its people do their best.

> *Crawford H. Greenwalt, President*
> *E. I. do Pont de Nemours & Company (9:1)*

There are a number of important conclusions that can be drawn from the stories and model outlined above. A few key thoughts to keep in mind follow:

- GIVE REWARDS!
- Focus on the team.
- You can't reward too much.
- There is more to reward than just superior performance.
- Have a specific plan for your reward structure.
- Use all the tools at your disposal to structure your rewards.
- But most of all, GIVE REWARDS!

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APPENDIX A
Air Force Organizational Awards

Detailed information on the following awards can be found in Air Force Regulation 900-48 (3).

In general, unit awards are granted to military units that distinguish themselves during peacetime or in action against hostile forces or an armed enemy of the United States.

Presidential Unit Citation

The citation is awarded for extraordinary heroism in action against an armed enemy occurring on or after 7 December 1941. The unit must have displayed such gallantry, determination, and esprit de corps in accomplishing its mission as to set it apart and above other units participating in the same campaign.

Air Force Outstanding Unit Award

This award is presented to numbered units such as air forces, air divisions, wings, groups, and squadrons. It is also awarded to medical facilities such as hospitals, clinics and medical centers, whether they are numbered or unnumbered.

The Air Force Outstanding Unit Award is awarded for exceptionally meritorious service or exceptionally outstanding achievement that clearly sets the unit above and apart from similar units. Heroism may be involved, but is not essential. The award is approved by major commanders or vice commanders.

The civilian members of the organization receive a lapel button to recognize the receipt of the award. For the military members of the organization, the award includes a ribbon for wear with the uniform.

Air Force Organizational Excellence Award

This award is presented to unnumbered organizations, such as major command headquarters, separate operating agencies, direct reporting units and centers.

The Air Force Organizational Excellence Award is awarded for exceptionally meritorious service or exceptionally outstanding achievement that clearly sets

the unit above and apart from similar units. Heroism may be involved, but is not essential.

The civilian members of the organization receive a lapel button to recognize the receipt of the award. For the military members of the organization, the award includes a ribbon for wear with the uniform.

Joint Meritorious Unit Award

This award is for joint activities that have distinguished themselves by exceptionally meritorious achievement or service in pursuit of joint military missions of great significance.

APPENDIX B
Other Awards

The awards listed here are by no means the only ones available. The current complete list includes well over 280 awards. The intent is to give the team leader a starting place on his journey to build a comprehensive award plan for his organization. A complete listing with eligibility criteria and submission requirements is maintained by HQ AFMC/DP (13).

REPRESENTATIVE REWARDS

The Twelve Outstanding Airmen of the Year.

The Airmen, Noncommissioned Officer, Senior Noncommissioned Officer, and Company Grade Officer of the Quarter and Year. Available at the local, command and Air Force level.

The Air Force Materiel Command Defense Superior Management Award for military officers and civilians.

The Katherine Wright Memorial Award for the women has has supported her husband's efforts or made a personal contribution to the advancement of art, sport, and science of aviation and space flight over an extended period of time.

The Logistics Plans and Programs Awards for civilians and active duty military members and units. There are seven specific categories.

The Air Force Association Outstanding Air Force Civilian of the Year.

The Society of Logistics Engineers Awards Program. There are ten separate award categories available for consideration.

The Dudley C. Sharp award for a military or civilian member engaged in the total logistics effort.

Air Force Association Management Awards for military and civilians. There are three categories.

Federal Employee of the Year Awards for civilians. There are six categories.

The Jabara Award for Airmenship for United States Air Force Academy graduates.

The Air Force Association Aerospace Awards.

The Commander in Chief's Installation Excellence Award.

The Air Force Distinguished Equal Employment Opportunity Awards.

The Elder Statesman of Aviation Award.

The Air Force Civilian Project Manager of the Year Award.

Presidential Awards for Design Excellence.

The General Edwin W. Rawlings Energy Conservation Award.

The Major General Joseph A. Ahearn Enlisted Leadership Award.

The United States Air Force Disaster Preparedness Awards. There are eight categories of awards.

The Society of American Military Engineers Gold Medal for Distinguished Service.

The Federal Environmental Engineer Award.

The Secretary of Defense Environmental Awards.

The Information Systems Professional Award.

The Annual Outstanding Air Force Administration Awards.

The General Thomas D. White Environmental Awards.

The Major General Frederick J. Dau System Program and Item Manager Awards.

The Colonel Meredith H. Mynhier Requirements Award.

The Secretary of the Air Force Safety Award.

The Air Force Public Affairs Achievement Awards.

The Best in United States Air Force Munitions Supply Award.

The Thomas P. Gerrity Memorial Award for Logistics Management, individual and unit.

The Air Force Materiel Command Outstanding Airmanship Award.